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OFFICE OF PETITIONS

In re Application of :  
Diab et al. :  
Application No. 09/195,791 :  
Filed: November 17, 1998 :  
US Patent No. 7,328,053 B1 : DECISION  
Issued: May 20, 2008 :  
Attorney Docket No. MASIMO.7CP1C5 :  
For: Signal Processing Apparatus :

The above-identified application has been forwarded to the undersigned for consideration of two petitions for patent term extension received on July 2, 2009, which are entitled “Request for Reconsideration for Decision on Petition for Patent Term Extension – Suspension Delay” and “Request for Reconsideration for Decision on Petition for Patent Term Extension – Termination Delay.”

The petition for Patent Term Extension for “Suspension Delay” is **Denied**.

The petition of Patent Term Extension for “Termination Delay” is **Denied**.

**Background**

On November 17, 1998, the above identified application was received by the Office.

On October 3, 2003, a first letter of suspension of action due to a potential interference was mailed by the Office.

On May 16, 2006, a second letter of suspension of action due to a potential interference was mailed by the Office.

On July 18, 2006, a Declaration of Interference was mailed by the Office.

On November 24, 2006, a judgment was made, by a decision mailed by the Board of Patent Appeals and Interferences.

On March 13, 2007, a Notice of Allowance and Fee Due notice was mailed by the Office.

Petitioner filed a petition as "Petition under 37 CFR 1.181 for Correction of Patent Term Extension" received on April 4, 2008 and a "Supplemental Petition under 37 CFR 1.181 for Correction of Patent Term Extension," received on June 30, 2008 for an extension of the patent term. The first petition was treated as a petition under 37 CFR 1.181 and 37 CFR 1.701, and the second petition was treated as a petition under 37 CFR 1.182, since 37 CFR 1.701 does not provide for patent term extension for delays that occur due to a suspension for a potential interference. On June 2, 2009, the first petition was granted-in-part and the second petition was dismissed and the patent term extension was 191 days.

In the Petition for "Suspension Delay," Petitioner asserts that the Office erred in not granting an additional 246 days of patent term extension because the Examiner initiated two suspensions. Petitioner asserts that it is improper for the Office to distinguish between the two types of suspensions. Petitioner asserts that the Office should read 1.701 to include delays due to suspensions from actual and potential interference proceedings in view of the statute. Petitioner asserts that 35 U.S.C. § 135(a) establishes the interference process whether it be an actual declared interference or a suspension to await a declaration of interference. Petitioner asserts that the statute forms the basis for the Examiner initiated suspensions due to a potential interference and thus such a suspension should be deemed an "interference proceeding" under § 135(a) and pursuant to 1.701. Petitioner asserts that the length or duration of delay due to suspension is entirely within control of the Office and as such fairness dictates that such unilateral action by the Office should provide additional term extension for applicant.

In the Petition for "Termination Delay," Petitioner asserts that the Office erred in not granting an additional 19 days of patent term extension for the time it took the Board of Patent Appeals and Interferences (BPAI) to forward the case to the Examiner. Petitioner asserts the definition of the term "termination" from 37 CFR 41.205(a), should not be read broadly to apply in the 1.701 regulation. Petitioner asserts that the regulation is a narrowly applicable subsection, as it is in a subsection entitled "Settlement Agreements", while the former regulation was entitled "Termination of interference after judgment." Petitioner asserts that 1.701 should be read to allow for patent term extension if a patent is "delayed due to" interference proceedings and that the length of the delay due to failure to promptly forward the application is within the control of the Office and not the Petitioner. Petitioner argues that fairness dictates that such unilateral action by the Office should result in additional term of 19 days for Petitioner.

Petitioner asserts that the patent is entitled to an additional 246 days of patent term extension due to the suspension delays and an additional 19 days of patent term extension due to delays in returning the application to the Examiner for a total of 265 additional days of patent term extension.

**Applicable Statutes and Regulation**

**35 U.S.C. 135      Interferences.**

(a) Whenever an application is made for a patent which, in the opinion of the Director, would interfere with any pending application, or with any unexpired patent, an interference may be declared and the Director shall give notice of such declaration to the applicants, or applicant and patentee, as the case may be. The Board of Patent Appeals and Interferences shall determine questions of priority of the inventions and may determine questions of patentability. Any final decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office of the claims involved, and the Director may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims involved in the patent, and notice of such cancellation shall be endorsed on copies of the patent distributed after such cancellation by the Patent and Trademark Office. . . .

**35 U.S.C. 154.      Contents and term of patent (in effect on June 8, 1995)**

**(b) TERM EXTENSION.-**

(1) INTERFERENCE DELAY OR SECRECY ORDERS.-If the issue of an original patent is delayed due to a proceeding under section 135(a) of this title, or because the application for patent is placed under an order pursuant to section 181 of this title, the term of the patent shall be extended for the period of delay, but in no case more than 5 years.

(2) EXTENSION FOR APPELLATE REVIEW.-If the issue of a patent is delayed due to appellate review by the Board of Patent Appeals and Interferences or by a Federal court and the patent is issued pursuant to a decision in the review reversing an adverse determination of patentability, the term of the patent shall be extended for a period of time but in no case more than 5 years. A patent shall not be eligible for extension under this paragraph if it is subject to a terminal disclaimer due to the issue of another patent claiming subject matter that is not patentably distinct from that under appellate review.

**37 CFR 1.701 Extension of patent term due to examination delay under the Uruguay Round Agreements Act (original applications, other than designs, filed on or after June 8, 1995, and before May 29, 2000).**

(a) A patent, other than for designs, issued on an application filed on or after June 8, 1995, is entitled to extension of the patent term if the issuance of the patent was delayed due to:

- (1) Interference proceedings under 35 U.S.C. 135(a); and/or
- (2) The application being placed under a secrecy order under 35 U.S.C. 181; and/or
- (3) Appellate review by the Board of Patent Appeals and Interferences or by a Federal court under 35 U.S.C. 141 or 145, if the patent was issued pursuant to a decision in the review reversing an adverse determination of patentability and if the patent is not subject to a terminal

disclaimer due to the issuance of another patent claiming subject matter that is not patentably distinct from that under appellate review. If an application is remanded by a panel of the Board of Patent Appeals and Interferences and the remand is the last action by a panel of the Board of Patent Appeals and Interferences prior to the mailing of a notice of allowance under 35 U.S.C. 151 in the application, the remand shall be considered a decision in the review reversing an adverse determination of patentability as that phrase is used in 35 U.S.C. 154(b)(2) as amended by section 532(a) of the Uruguay Round Agreements Act, Public Law 103-465, 108 Stat. 4809, 4983-85 (1994), and a final decision in favor of the applicant under paragraph (c)(3) of this section. A remand by a panel of the Board of Patent Appeals and Interferences shall not be considered a decision in the review reversing an adverse determination of patentability as provided in this paragraph if there is filed a request for continued examination under 35 U.S.C. 132(b) that was not first preceded by the mailing, after such remand, of at least one of an action under 35 U.S.C. 132 or a notice of allowance under 35 U.S.C. 151.

(b) The term of a patent entitled to extension under paragraph (a) of this section shall be extended for the sum of the periods of delay calculated under paragraphs (c)(1), (c)(2), (c)(3) and (d) of this section, to the extent that these periods are not overlapping, up to a maximum of five years. The extension will run from the expiration date of the patent.

(c)(1) The period of delay under paragraph (a)(1) of this section for an application is the sum of the following periods, to the extent that the periods are not overlapping:

(i) With respect to each interference in which the application was involved, the number of days, if any, in the period beginning on the date the interference was declared or redeclared to involve the application in the interference and ending on the date that the interference was terminated with respect to the application; and

(ii) The number of days, if any, in the period beginning on the date prosecution in the application was suspended by the Patent and Trademark Office due to interference proceedings under 35 U.S.C. 135(a) not involving the application and ending on the date of the termination of the suspension.

(2) The period of delay under paragraph (a)(2) of this section for an application is the sum of the following periods, to the extent that the periods are not overlapping:

(i) The number of days, if any, the application was maintained in a sealed condition under 35 U.S.C. 181;

(ii) The number of days, if any, in the period beginning on the date of mailing of an examiner's answer under § 41.39 of this title in the application under secrecy order and ending on the date the secrecy order and any renewal thereof was removed;

(iii) The number of days, if any, in the period beginning on the date applicant was notified that an interference would be declared but for the secrecy order and ending on the date the secrecy order and any renewal thereof was removed; and

(iv) The number of days, if any, in the period beginning on the date of notification under § 5.3(c) and ending on the date of mailing of the notice of allowance under § 1.311.

(3) The period of delay under paragraph (a)(3) of this section is the sum of the number of days, if any, in the period beginning on the date on which an appeal to the Board of Patent Appeals and Interferences was filed under 35 U.S.C. 134 and ending on the date of a final

decision in favor of the applicant by the Board of Patent Appeals and Interferences or by a Federal court in an appeal under 35 U.S.C. 141 or a civil action under 35 U.S.C. 145.

(d) The period of delay set forth in paragraph (c)(3) shall be reduced by:

(1) Any time during the period of appellate review that occurred before three years from the filing of the first national application for patent presented for examination; and

(2) Any time during the period of appellate review, as determined by the Director, during which the applicant for patent did not act with due diligence. In determining the due diligence of an applicant, the Director may examine the facts and circumstances of the applicant's actions during the period of appellate review to determine whether the applicant exhibited that degree of timeliness as may reasonably be expected from, and which is ordinarily exercised by, a person during a period of appellate review.

(e) The provisions of this section apply only to original patents, except for design patents, issued on applications filed on or after June 8, 1995, and before May 29, 2000.

### **37 CFR 41.205 Settlement agreements.**

(a) *Constructive notice; time for filing.* Pursuant to 35 U.S.C. 135(c), an agreement or understanding, including collateral agreements referred to therein, made in connection with or in contemplation of the termination of an interference must be filed prior to the termination of the interference between the parties to the agreement. After a final decision is entered by the Board, an interference is considered terminated when no appeal (35 U.S.C. 141) or other review (35 U.S.C. 146) has been or can be taken or had. If an appeal to the U.S. Court of Appeals for the Federal Circuit (under 35 U.S.C. 141) or a civil action (under 35 U.S.C. 146) has been filed the interference is considered terminated when the appeal or civil action is terminated. A civil action is terminated when the time to appeal the judgment expires. An appeal to the U.S. Court of Appeals for the Federal Circuit, whether from a decision of the Board or a judgment in a civil action, is terminated when the mandate is issued by the Court.

### **Opinion**

The patent statute only permits extension of patent term based on very specific criteria. The Office has no authority to grant any extension or adjustment of the term due to administrative delays except as authorized by 35 U.S.C. § 154. 35 U.S.C. § 154 provides for patent term extension for appellate review, interference and secrecy order delays in utility and plant applications filed on or after June 8, 1995, and, as amended by the "American Inventors Protection Act of 1999," enacted November 29, 1999, as part of Public Law 106-113, for other specifically defined administrative delays in utility and plant applications filed on or after May 29, 2000.

The above-identified application was filed on November 17, 1998. Accordingly it is entitled to patent term extension based upon the conditions in 35 U.S.C. § 154(b), in effect on June 8, 1995. The provisions of 35 U.S.C. § 154(b) in effect on May 29, 2000 do not apply, because the

amended version of 35 U.S.C. § 154(b) only applies to applications filed on or after May 29, 2000. Pursuant to 35 U.S.C. § 154(b), in effect on June 8, 1995, an applicant can receive patent term extension only if there was an appellate review, interference or a secrecy order delays as set forth in the statute.

With respect to the suspension delay, according to 37 CFR 1.701(c)(1)(ii), the application is entitled to patent term extension for the number of days, in the period beginning on the date prosecution in the application was suspended by the Patent and Trademark Office due to interference proceedings under 35 U.S.C. 135(a) not involving the application and ending on the date of the termination of the suspension.

Petitioner asserts that under 1.701(c)(1)(ii); the patent term extension should be 246 days for the delays due to the suspensions in prosecution due to an interference. Petitioner's argument that the Office is improperly distinguishing between a suspension to await the outcome of an interference and a suspension for a potential interference is not persuasive. In order to implement 35 U.S.C. 154(b) (in effect between June 8, 1995 and May 28, 2000), the Office promulgated 37 CFR 1.701(c)(1), which, consistent with the statute, requires an interference proceeding under 35 U.S.C. 135(a) to be eligible for patent term extension. Petitioner's assertion that the statutes (§§ 135 and 154) and the rule (1.701) do not require such an interpretation and should be read to include delays due to suspensions for interference proceedings under § 135(a) not involving the application and due to suspensions for potential interferences proceedings is not persuasive. In accordance with § 154 and § 135(a), patent term extension under the post GATT and pre AIPA statute only permits extension for the delay due to a proceeding under § 135(a).

35 U.S.C. 154 provides that "if the issue of an original patent is delayed due to a proceeding under section 135(a)", then the patent may be extended. Thus in accordance with § 154, a proceeding under § 135 is required to be eligible for patent term extension. An interference proceeding begins when the interference is declared and ends with the final decision. While the examiner may be permitted to suspend prosecution in an application, the Examiner does not have the authority to declare an interference and thus initiate an interference proceeding in accordance with § 135(a).

Although prosecution was twice suspended in the above-identified application, the suspensions were due to a potential interference either with or involving one or more other applications. The suspensions were not for the reason that the subject application was involved in an interference, or to await the result of an interference proceeding in another application. As a result, the provisions of 37 CFR 1.701(c)(1)(ii) do not apply because this section applies to suspensions by the "Office due to interference proceedings under 35 U.S.C. 135(a) not involving the application," and in this instance there were no such other interference proceedings. Therefore, Petitioner's argument that he is entitled to an additional 246 days of patent term extension for the periods of the two suspensions under 37 CFR 1.701(c)(1)(ii) is not persuasive. The application is not entitled to additional days of patent term extension under 37 CFR 1.701(c)(1)(ii). While Petitioner asserts that fairness dictates that the Office must grant additional term extension, the Office may only grant an extension as provided by the statute.

With respect to the termination delay, according to 37 CFR 1.701(c)(1)(i), the application is entitled to patent term extension for the number of days, in the period beginning on the date the interference was declared to involve the application in the interference and ending on the date that the interference was terminated with respect to the application. The interference was declared on July 18, 2006, the date of the Declaration of Interference. A final decision by the BPAI was entered and mailed on November 24, 2006, the date of the decision. According to 37 CFR 41.205, after a final decision by the BPAI is entered, interference is considered terminated when no appeal or other review has been or can be taken. As a result, the period of extension is 191 days, the period from July 18, 2006, the date of the declaration of interference to January 24, 2007, which is two months after the mailing of the decision by the BPAI including the beginning and end dates.

Petitioner's assertion that additional patent term extension (19 days) should be granted because the interference was not terminated until December 21, 2007, the date the application was dispatched to the Examiner, is not persuasive. In accordance with 37 CFR 41.205, the interference was terminated two months after the mail date of the decision by the BPAI, when no further appeal was taken. After the BPAI entered the final decision, there were no further interference proceedings with respect to the application, thus the application is not entitled to additional patent term extension, regardless of whether the application remained in the BPAI's area. Petitioner's assertion that the statute (§ 154) and the rule (1.701) should be read broadly and given greater interpretational weight than 37 CFR 41.205 is not persuasive. In accordance with 35 U.S.C. 154 and 35 U.S.C. 135, patent term extension under the post GATT and pre AIPA statute only permits extension for the delay due to a proceeding under section 135(a) and a proceeding begins when the interference is declared and ends two months after the final decision. While Petitioner asserts that fairness dictates that the Office must grant additional patent term extension, the Office may only grant an extension as provided for by the statute. Petitioner's assertion that the failure to promptly forward the application was entirely within control of the Office is not persuasive. Petitioner could have contacted the Office or filed a paper concerning the termination of the interference.

Petitioner's assertion that 41.205 is a narrowly applicable subsection and is only for settlement agreements is not persuasive. In accordance with the rule, "After a final decision is entered by the Board, an interference is considered terminated when no appeal (35 U.S.C. 141) or other review (35 U.S.C. 146) has been or can be taken or had." Contrary to Petitioner's assertion that the subheading narrows the applicability of the rule, the language in the preamble discussing the implementation of the final rule clearly states the section "incorporates Rule 661" and "[i]n addition, § 41.205(a) provides that after a final decision is entered by the Board, an interference is considered terminated when no appeal (35 U.S.C. 141) or other review (35 U.S.C. 146) has been or can be taken or had".<sup>1</sup>

The Office has no authority to grant an extension of the term due to administrative delays except as authorized by 35 U.S.C. § 154.

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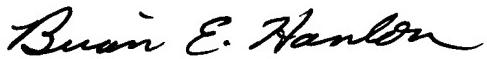
<sup>1</sup> Rules of Practice Before the Board of Patent Appeals and Interferences – Final Rule, 69 FR 49960, 49969, (Aug. 12, 2004).

Decision

The prior decision which granted-in-part a petition under 35 U.S.C. 154(b) and 37 CFR 1.701 and dismissed a second petition under 37 CFR 1.182 for patent term extension for the delayed issuance of the patent for the above-identified patent application have been reconsidered. For the reasons stated herein, and in the previous decision, however, additional patent term extension in this case cannot be granted under 35 U.S.C. § 154(b) and 37 CFR §§ 1.181, 1.182 and 1.701. Therefore, the petitions are denied.

This decision may be viewed as a final agency action. See MPEP § 1002.02(b).

Telephone inquiries with regard to this communication should be directed to Mark O. Polutta at (571) 272-7709.



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